

To: Real Estate Department Partners
From: Real Estate Department- Compliance and Asset Management
Date: February 21, 2012

Notice: **RED-12-08**

Re: Guidance on Unique CDBG-D Program Requirements

Several IHCD partners are undertaking projects using Community Development Block Grant Disaster Recovery (CDBG-D funds. These projects primarily include owner-occupied rehabilitation and rehabilitation, acquisition, and/or construction of rental housing. Please note that CDBG-D funds are “special” CDBG funds, and there are certain rules/requirements that are unique to this funding source. The information contained in this notice will provide a summary of the requirements that differ from a standard CDBG award from IHCD and other requirements that it makes sense to re-emphasize at this time.

The items listed below will summarize the rules and provide guidance on how to ensure that you comply with each one based on the housing activity. If you have questions, please contact your regional analyst within the Real Estate Department, who can be contacted by accessing the following link: [CDBG Web Link and IHCD Regional Analyst Map](#) or by telephone at 800-872-0371.

1. ELIGIBLE AREAS OF INVESTMENT

The CDBG-D program has designated 80 of the 92 counties in the State of Indiana, as eligible for receiving assistance through this program. The following ten (10) counties are NOT eligible to receive CDBG-D assistance through IHCD programs:

Blackford	Clinton	Delaware	Howard	LaGrange	Miami
Steuben	Tipton	Warren	Wells		

2. INCOME VERIFICATION

The income levels of each program beneficiary must be calculated using the Section 8, Part 5 definition of income as defined by HUD and must be at or below eighty percent (80%) of the Area Median Income (AMI) for the county where the assistance is provided **and must be verified and documented in accordance with the procedures set forth in the Strategic Investment Process Award Implementation Manual.**

3. MATCHING/LEVERAGING FUNDS

There is no match requirement for this program; however, matching or leveraging funds are highly encouraged. Any eligible match/leverage used for this program/purpose will be documented. These eligible sources of match/leverage may be used or shared to meet requirements for a future housing activity.

Please contact your IHCD Real Estate Production Analyst to discuss eligible forms of match/leverage.

4. DUPLICATION OF BENEFITS

The Robert T. Stafford Disaster Assistance and Emergency Relief Act (Stafford Act), prohibits any person, business concern, or other entity from receiving financial assistance with respect to any part of a loss resulting from a major disaster as to which he has received financial assistance under any other program or from insurance or any other source.

A Duplication of Benefits situation would occur if a household received funds from FEMA, Insurance, SBA, or another source to fix damage caused by the disaster, and then also applied for and received funding under the CDBG-D program for the same purpose, to make repairs or replace the damaged home.

Applicants are required to verify the amount received from other sources, and also how those funds were used to ensure duplication of benefits will not occur.

The amount of assistance provided to the applicant must be reduced by the amount of assistance received from other sources (FEMA, SBA, Insurance, etc.) for the same need, repair, or loss.

Each recipient must ensure that each beneficiary assisted with CDBG-D funds executes the certification contained in Appendix A (attached hereto). This certification must be maintained in the recipient's client files. This certification must also be executed by owners of single family or multi-family rental housing units that receive CDBG-D funds for rehabilitation, in this case the owner would be the beneficiary. This certification does not need to be executed by tenants residing in multi-family rental units acquired, constructed, or rehabilitated with CDBG-D funds.

NOTE: All other requirements regarding compliance for the CDBG-D program: CDBG-D Funds disbursed through this program will be regulated by the regulatory requirements listed in [24 CFR Part 570](#).



Duplication of Benefits Certification

I/We, _____ affirm the following:

1. I/We own real property located at _____, _____ (City/Town), Indiana, and make this Affidavit in connection with the rehabilitation of that real property by the _____ (Recipient Organization) in conjunction with a homeowner/rental rehabilitation project funded under the Indiana Housing and Community Development Authority's (IHCD's) Community Development Block Grant Disaster Recovery Program.
2. I/We understand that, the Robert T. Stafford Disaster Assistance and Emergency Relief Act, the act that allows this assistance to be provided, prohibits a duplication of benefits, which would occur if I/we are provided assistance by this program for any need, damage, or loss that I/we previously received financial assistance for under any other program, from insurance, or from any other source (FEMA, SBA, Insurance, etc.).
3. I/We have received the following funds to rehabilitate the property owned by I/We.

Flood Insurance - \$ _____ Home Repair - \$ _____

Replacement Housing - \$ _____ Rental Assistance - \$ _____

Small Business Administration (SBA) Loan - \$ _____

Other - \$ _____
4. I/We have received no other Federal assistance funds for structural repair other than that set forth above.
5. I/We understand that the amount of assistance received by I/we under this Program must be reduced by the amount of assistance received from other sources (FEMA, SBA, Insurance, etc.) for the same need, repair, or loss.
6. I/We can produce receipts for eligible expenses in the total amount of \$ _____.
Receipts, if applicable, are attached.
7. I/We certify under the penalties for perjury and fraud that the information provided above is true and accurate and acknowledge that I/We may be required to repay all assistance received by I/We if, I/We provide false, incomplete or misleading information in this Affidavit or during the application process.

Property Owner Signature

Date

Property Owner Signature

Date

30 S. MERIDIAN ST. SUITE 1000 - INDIANAPOLIS, IN 46204 - [HTTP://IHCDA.IN.GOV](http://ihcda.in.gov)

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EQUAL OPPORTUNITY EMPLOYER AND HOUSING AGENCY

State of Indiana

Lieutenant Governor

